all the public sector undertakings. For example, 130 public sector undertakings have made a profit of Rs. 12,124 crore whereas there are 109 public sector undertakings who have incurred a loss of Rs. 4907 crore. They are dragging our feet. So, there are good and bad public undertakings.

We have to protect and develop the good undertakings. We have to nurse and find a way out to make these loss making enterprises to be efficient and healthy.

SHRI SRIBALLAV PANIGRAHI : In this connection, I want to ask a question.

SHRI SONTOSH MOHAN DEV : Generally, when Parliament is in Session, a major policy decision is not given outside. But today, I read in the newpapers that the hon. Finance Minister had given certain views of the Government, which I appreciate and support. He has decided to compartmentalise the public sector into three sectors, namely, strategic, core and non-core. Then, he said that they would like to disinvest upto 51 per cent. In strategic sectors, there is no disinvestment, but they would like to do it in other sectors. Earlier, I had the opportunity to work with some public sector organisations under my Ministry.

Now, the Finance Ministry says that these public sector undertakings have to take care of their own resources as there will be no budgetary support. That is also good and I appreciate it. But Mr. Industry Minister, the gentleman on your left is aware that there was a proposal during our time—Shri Chidambaram shared with us for a particular period–that a portion of the disinvestment money should go to those concerned for modernisation, upgradation and maintenance. As you have very rightly analysed, the loss is not only due to bad management, but it is also due to the resource crunch. Some of them which have incurred a marginal loss can be converted into profit earning undertakings. But they are gradually going down because there is no budgetary support. You cannot expect all industries to make profits all the time. All the ministers do not do well; some are bad and some are good.

MR. DEPUTY-SPEAKER : Sontoshji, please ask the question. What is your question ?

SHRI SONTOSH MOHAN DEV : Taking that into consideration, I support him. What is your policy about giving some support for the public sector undertakings which are doign well and can do well after the disinvestment which is coming ? Their profit earning will be more and they will be in a comfortable position.

MR. DEPUTY-SPEAKER : Mr. Minister, if you have followed it, then it is all right.

... *(Interruptions)*

SHRI ANIL BASU : Shri Sontosh, would you like to be a supporting party or not ? *(Interruptions)*

MR. DEPUTY-SPEAKER : Let the Minister reply. He is going to reply.

SHRI NIRMAL KANTI CHATTERJEE : That of distinction of core, strategic etc., is as old as the 1956 Industrial Policy Resolution.

SHRI MURASOLI MARAN : Sir, as the hon. Member has pointed out, all these core, non-core and strategic sectors have been started from the Second Five Year Plan and from the second Industrial Policy Resolution. The hon. Member, probably, has not gone through the Common Minimum Programme. I quote :

> "The question of withdrawing the public sector from non-core and non-strategic areas will be carefully examined subject to assuring the workers and employees of job security or in the alternative opportunities for retraining and redeployment."

So, that is there in our Common Minimum Programme. There is a scheme, there is a policy decision and there is a Cabinet decision to disinvest in these sectors upto 49 per cent. Upto 49 per cent does not mean that they are going to change the management. Ownership is one thing and management is another thing. That is a different question.

He wanted to know about what we are going to do with the money from the disinvestment. The Common Minimum Programme has made it very clear. The hon. Finance Minister has made it very clear in his Budget speech that it would be used in social sectors especially in health and education. We will create an Investment Fund from which the money will be used for promoting operational efficiency of the particular public sector undertakings. This is very clear.

[Translation]

Development of Textile Industries

*584. SHRI DADA BABURAO PARANJPE : Will the Minister of TEXTILES be pleased to state :

(a) whether the Govt. are aware that at present the cotton based textile industry is facing heavy financial crunch despite the fact that there have been record production of cotton ;

(b) if so, the reasons threfor; and

(c) the steps being taken or proposed to be taken by the Government to deal with the situation ?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) to (c). A statement is laid on the Table of the House.

STATEMENT

(a) It is not correct that Cotton based textile industry is facing any financial crunch. This is evident from the consumption pattern of cotton for the last 4 years by various segments of textile sector as indicated below. Actual consumption by mill industry has gone up by 10.72% in 1995-96 over 1994-95.

In lakh bales of 170 Kgs each

Year	Consumption by textile mill industry	Consumption by small scale spinnings mills	Total	Growth compared to previous year
1992-93	112.81	4.2	117.01	—
1993-94	114.00	5.00	119.00	1.7%
1994-95	119.37	6.17	125.54	5.49%
1995-96	132.50	6.50	139.00	10.72%

(b) and (c). Does not arise.

[Translation]

SHRI DADA BABURAO PARANJPE : Mr. Deputy Speaker, Sir, the hon'ble Minister has in his reply stated that the cotton based textile industry is not facing any financial crunch. It appears to me that he has not taken into account while framing his reply, the cotton based handloom and powerloom industry. May I know whether the figures mentioned in the reply pertain to major textile millls or they include handloom and powerloom units also ?

[English]

SHRI R.L. JALAPPA : Sir, probably the hon. Member is agitated about the closure of the 179 mills out of 1,507 mills. As far as handlooms are concerned, there is no financial crunch. In spite of that, I have already spoken to the Chairman of NABARD and he has agreed to provide loan to an extent of Rs. 1,000 crore during this year for modernisation and for working capital both for handicrafts and looms and powerlooms. As far as these mills are concerned, those 179 mills are closed. There was a fresh investment in the private sector to an extent of Rs. 2,100 crore dunng 1994-95 and Rs. 3,400 crore during 1995-96. This clearly shows that there is no such severe crunch for finances in this sector.

[Translation]

SHRI DADA BABURAO PARANJPE : Mr. Deputy Speaker, it is well known that India has produced large quantity of cotton needed for cotton based textile industry which is more than the requirement of the country. May I know from the hon'ble Minister whether there is any scheme for export of cotton and the quantity thereof exported this year and the amount of foriegn exchange eamed therefrom ?

[English]

SHRI R.L. JALAPPA : During this year, we have exported eight lakh bales outside the country. Though we permitted them to export 12 lakh bales, they could export only eight lakh bales. We are expecting a better crop this year. There will be no limit for export of either yarn or cotton.

KUMARI MAMATA BANERJEE : I am grateful to you for allowing me this opportunity. The cotton industry, specially the traditional industry in our country, is the oldest industry. The cotton industry people especially are from rural areas and the working class people are involved in this industry. The NTC textile mills are facing acute cnsis specially in West Bengal, Gujarat and Maharashtra as 179 mills have already been closed and there are many cases pending with BIFR for long though the BIFR have asked the Government to send packages. What steps are the Government going to take to save the industry ? That is number one.

Secondly, the textile workers and the jute growing workers are not getting their salary. This is a very serious problem. Thousands and thousands of workers are going to the industry and they are working for the industry, but they are not getting their salary at the proper time. Will you assure this House that the Government will sponsor the package which is submitted by BIFR and save this cotton industry ? The Government should release the salaries of NTC workers and jute growing workers.

These are the two questions.

SHRI R.L. JALAPPA : As far as the NTC mills are concerned, they are in a big mess. The House will be surprised to know that the paid up capital of NTC is Rs. 512 crore; the total loss of NTC is Rs. 4,678 crore. It has not happened during my time. This has accumulated over a number of years.

Except Tamil Nadu subsidiary, the rest of the subsidiaries are before the BIFR. There was a turn-around plan for Rs. 2005 crore. A tripartite agreement was signed. But, when I went through it and had discussions with my officers, I was given to understand that 52 to 55 mills cannot be revived at all. So, I have sent my people to each mill to find out the position and let me know the details. Within fifteen days or one month we will be going before the Cabinet for a final settlement.

As far as the wages are concerned, I beg to submit that they are being paid, except our share of the Provident Fund.

KUMARI MAMATA BANERJEE : They are not being paid salary in a proper manner.

SHRI R.L. JALAPPA : No, we are paying them. May be, it is delayed. We had spent about Rs. 265 crore during the last year to pay them salary. This year we are spending about Rs. 300 crore to pay them salary. There may be a delay by about fifteen days or one month. Yes, there is a delay. But, when they are suffering from a loss of nearly Rs. 4600 crore ... *(Interruptions)*... Let them bear with me for a minute. When they are suffering a loss to the extent of Rs. 4678 crore, it is not so easy to provide all the wages on time. It may take some time, about fifteen days or one month. We are paying them otherwise.

KUMARI MAMATA BANERJEE : Please release the salary at the appropriate time.

[Translation]

SHRIMATI SUMITRA MAHAJAN : Sir, I feel sad when the hon'ble Minister says that the cotton based textile industry is not facing financial crunch which is far from the truth.

SHRI R.L. JALAPPA : I did not say so.

SHRIMATI SUMITRA MAHAJAN : He has stated this in his reply. I would like to ask the question because the answer is not satisfactory. Today the entire textile industry is facing closure but the talk of financial crisis is also wrong. The official report says that the production of mills has come down to 942 million square meter from a production of 2589 million square meter in 1991 May I know whether the reason for the financial crisis and declining production in the cotton mills is that the difference in prices of cotton supplied by cotton corporation of India to the mills and those paid to the Cotton growers ? Does the production come down because of the low grade cotton supplied by the Cotton Corporation of India The weight of the bales supplied also falls short. Whether this is one of the reasons for this crisis and whether some complaints have been received ?

[English]

SHRI R.L. JALAPPA : The production of cloth in 1993-94 was 17,790 million sq. metres. In 1994-95, I agree with the hon. Member, it has come down to 17,019 million sq. metres. But, in 1995-96 it went up once again to 18,415 million sq. metres. It has gone up during the last year.

[Translation]

SHRIMATI SUMITRA MAHAJAN : You please tell me about mills. The production has declined. I have report with me which I can give you, in case you do not have it.

[English]

SHRI R.L. JALAPPA : For 1995-96 I do not have the figures. But, in 1994-95 what you have said is correct that the production has come down. For 1995-96 I will send you the figures. For 1996-97 also I will be able to send the figures. About the purchase of CCI, they are purchasing. Their turn-over is to the extent of Rs. 800 crore to Rs. 900 crore every year. They are entering into the market and they are also exporting outside the country to the maximum extent possible.

[Translation]

SHRIMATI SUMITRA MAHAJAN : Sir, my Supplementary has not been answered. The cotton supplied to textile mills in of poor quality. This is one of the factor.

[English]

SHRI R.L. JALAPPA : I do not know that. I will get it examined.

DR. ASIM BALA : Sir, in my constituency there are a large number of small and marginal handloom weavers and various small families, engaged in cooperative handloom weaving trade. They are suffering from scarcity of cotton yarn. So, I would like to know from the Minister whether cotton yarn would be provided to these small weavers and cooperatives at subsidised rates.

SHRI R.L. JALAPPA : During the last two years, there was a scheme of subsidising the supply hank yarn to the handlooms, but during the last year the scheme was removed. If it is necessary, if the prices go high, the Government would consider supplying yarn at a lesser price. It might not be too much less, but we would try to supply it at a reasonable price.

SHRI MADHUKAR SARPOTDAR : Mr. Deputy Speaker, Sir, my question to the concerned hon. Minister is this. As per the information furnished to this august House on the last occasion about 55,000 to 60,000 handloom workmen have not been provided with work in the various cotton mills in Mumbai, Gujarat, Kanpur, Calcutta and elsewhere. My question is, when there is ample work, when ample cotton is available, why have the workmen not been provided with work in the mills ? Is it a policy of the Government to keep them idle and retrench them later ? Or, alternatively, does the Government intend to introduce the voluntary retirement scheme in such mills ? I feel, making all the textile industries sick is the only policy of the Government. The persons who are running those industries are basically responsible for this. Depsite having sufficient work, it has not been extended to the workmen. What does the hon. Minister want to say about the kind of condition which is prevailing in all these textile mills ?

SHRI R.L. JALAPPA : Sir, the hon. Member is right to the extent of fifty per cent.

MR. DEPUTY-SPEAKER : Does it mean that he is wrong to the extent of fifty per cent ?

SHRI R.L. JALAPPA : I did not say that he was wrong. I only said that fifty per cent was not correct. I agree with him. Some mills are closed due to the non-availability of working capital; some mills are very old that their age is about 120 to 130 years, where we cannot rejuvenate them or modernise them and, therefore, they have to be closed. The Government is also thinking of making them retire under the voluntary retirement scheme. That scheme would be taken up with the Cabinet within another month.

[English]

Credit Facilities to Exporters

*585. *SHRI BHAKTA CHARAN DAS :
SHRI K.C. KONDAIAH :

Will the Minister of COMMERCE be pleased to state :

(a) whether the Government propose to strengthen the existing infrastructural facilities to exporters such as ports, power, communications transport facilities and concessional export credit required for export promotions;

(b) if so, the details thereof; and

(c) if not, the steps taken by the Government to remove these infrastructural bottlenecks for export promotion ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c). A Statement is laid on the Table of the House.

STATEMENT

Government is engaged in the continuous upgradation of export infrastructure. The Ministry of Commerce acts in co-ordination with the other Ministries, Departments and agencies for the purpose. Standing Committees on Promotion of Exports (SCOPE) in respect of air cargo (SCOPE-AIR) and sea borne cargo (SCOPE-SHIPPING) are functioning in the Ministry. These help to resolve constraints encountered in export transportation and to advise on long term strengthening of infrastructure. The Ministry of Surface Transport is upgrading the port infrastructure. Inland Container Depots (ICDs) and Container Freight Stations (CFSs) are being established in various parts of the country to facilitate container transportation of goods and intermodal conveyance. An Inter-Ministerial Committee accords single-window clearance for establishing these ICDs and CFSs. An Open Sky Policy has been adopted to permit uninterrupted clearance of air cargo. Private initiative is being harnessed in creating infrastructure at ports, airports, in upgrading highways and in setting up of ICDs/CFSs, warehouses, etc.

The Reserve Bank of India (RBI) arranges for and monitors the flow of export credit in rupees and in foreign currency. The schemes in force include–

(i) Pre-shipment Export Credit in Foreign Currency (PCFC),

(ii) Pre-shipment Export Credit in Rupees,

(iii) Post-shipment Export Credit in Rupees, and

(iv) Export Bill Rediscounting (EBR).

SHRI BHAKTA CHARAN DAS : Sir, in our country, there is ample availability of mineral deposits and raw materials. We can develop our exports to the highest extent. But it is a pity that we are unable to develop our infrastructure for exports. I would like to know from the hon. Minister what specific steps are taken by the Government of India for the upgradation of port infrastructure. I would particularly like to know how much money the Government is going to spend to develop Paradip, Gopalpur and Vizag ports.

MR. DEPUTY-SPEAKER : SNQ No. 3. Shri Ashok Pradhan. The hon. Member is absent.

... *(Interruptions)*

[Translation]

SHRI MOHAN RAWALE : Mr. Deputy Speaker, Sir, I want to raise a very serious issue ... *(Interruptions)*

SHRI NAWAL KISHORE RAI : Mr. Deputy Speaker, Sir, I have not received reply to my question ... *(Interruptions)*

MR. DEPUTY SPEAKER : The hon. Member is absent, what can I do ? The Minister cannot reply in the absence of the Member.

... *(Interruptions)*

WRITTEN ANSWERS TO QUESTIONS

Inflation Rate

[English]

*582. SHRI MADHAVRAO SCINDIA : Will the Minister of FINANCE be pleased to state :

(a) whether the prices of all the consumer commodities and the rate of inflation have been steadily increasing following the announcement of the General Budget this year ; and

(b) if so, the weekly rate of rise in Consumer price indices and the rate of inflation indicating corresponding figures during the above mentioned period of the years 1994-95 and 1995-96 ?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) On the eve of the presentation of the General Budget on 22.7.1996, the annual inflation